

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
OPERATION AND MAINTENANCE OF THE PANAMA
CANAL

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

AN ESTIMATE OF APPROPRIATION FOR THE PANAMA CANAL,
FOR "MAINTENANCE AND OPERATION," AMOUNTING TO
\$14,700,000, AS SUPPLEMENTAL AND IN ADDITION, TO THE
AMOUNT CONTAINED UNDER THE SAME HEAD IN THE BUDGET
FOR THE FISCAL YEAR 1940

MARCH 14, 1939.—Referred to the Committee on Appropriations and ordered
to be printed

THE WHITE HOUSE,
Washington, March 14, 1939.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit for the consideration of Congress an estimate of appropriation for the Panama Canal, for "Maintenance and operation," amounting to \$14,700,000, as supplemental and in addition to the amount contained under the same head in the Budget for the fiscal year 1940.

The details of this supplemental estimate of appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Acting Director of the Bureau of the Budget, transmitted herewith, with whose comments and observations I concur.

Respectfully,

FRANKLIN D. ROOSEVELT.

BUREAU OF THE BUDGET,
Washington, March 13, 1939.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration the following estimate of appropriation for the Panama Canal, for "Maintenance and operation," amounting to \$14,700,000 as supplemental, and in addition, to the amount contained under the same head in the Budget for the fiscal year 1940:

PANAMA CANAL

Maintenance and operation, Panama Canal: For an additional amount for the maintenance and operation of the Panama Canal, including the construction of buildings, structures, and other improvements, and repair, replacement, and enlargement of existing buildings and structures, and including alterations, improvements, and equipment for increasing the security of Canal structures and facilities, fiscal year 1940, \$14,700,000, to be immediately available and to remain available until expended, and, in addition, the Governor of the Panama Canal, when authorized by the Secretary of War, may enter into contracts prior to July 1, 1940, for the same purposes, to an amount not in excess of \$2,300,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the costs thereof (U. S. C., title 5, sec. 793; title 48, secs. 1305, 1372; 52 Stat. 672).

The principal purpose of this supplemental estimate of appropriation is to provide \$14,700,000, and a contract authorization of \$2,300,000, for alterations, improvements, and equipment for increasing the security of the structures and facilities of the Panama Canal. This is proposed as the first increment of a 2-year program for this project, which is estimated to cost a total of approximately \$29,000,000.

Another purpose of this supplemental estimate of appropriation is to provide for the inclusion in the 1940 appropriation for maintenance and operation of the Panama Canal of language to make such appropriation available for the "construction of buildings, structures, and other improvements, and the repair, replacement, and enlargement of existing buildings and structures." While for many years the annual appropriations for maintenance and operation of the Panama Canal have been used for these purposes, specific language covering such use has not been included therein. A recent decision of the Comptroller General of the United States makes it desirable that such language be included in the 1940 and subsequent appropriation acts.

The above supplemental estimate of appropriation is made necessary by contingencies which have arisen since the transmission of the Budget for the fiscal year 1940. I recommend that it be transmitted to Congress.

Very respectfully,

D. W. BELL,
Acting Director of the Bureau of the Budget.

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